



US Army Corps  
of Engineers

# Construction Bulletin

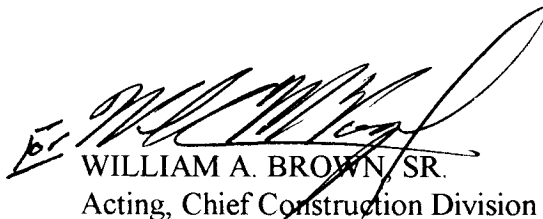
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## CEMP-C

**Subject:** Value Engineering Change Proposals

**Applicability:** INFORMATION

1. Value Engineering Change Proposals (VECP) are submitted voluntarily by construction contractors under the Value Engineering provisions of the Federal Acquisition Regulations (FAR). A VECP is an proposal to change a project's plans, designs, or specifications as defined in the contract, that would result in savings to the Government. The contracting officer is responsible for accepting or rejecting the VECP within 45 days from its receipt by the Government. Any VECP approved by the government, in whole or in part, is incorporated by a contract modification.
2. A recent AAA audit of the U.S. Army Corps of Engineers Value Engineering Program, audit report AA 96-194, pointed out that VECP's need to be processed promptly so the increased savings can be realized. Since VECP's involve potential cost savings shared between the government and the contractor, it is critical that the amount of savings be finalized before work begins on the change. The audit pointed out an example where a district took over 300 days to issue the modification for the VECP. This long processing time is not acceptable for VECP or any other type of modification.
3. The AAA audit states that the U.S. Army Corps of Engineers has a successful value engineering program which has benefited the U.S. Army and has implemented the intent of the Office of Management and Budget guidelines (Circular A-131). The timely processing of VECP's will encourage construction contractors to increase their participation in our program. The Value Engineering Program is an important initiative and the timely processing of VECP modifications provides benefits both to the construction industry and to U.S. taxpayers.
4. This Construction Bulletin has been coordinated with Value Engineering Branch (CEMP-EV), Operations, Construction, and Readiness Division (CECW-O), and Office of Counsel (CECC-C). My point of contact for this construction bulletin is Denise Massihi, CEMP-CP, 202-761-1380.



WILLIAM A. BROWN, SR.  
Acting, Chief Construction Division